

AMERICANS FOR FREE ★ TRADE

February 27, 2019

President Donald J. Trump
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President,

On behalf of the Americans for Free Trade coalition, we are writing to commend your commitment to achieving a fair trade deal with China and for recent progress that has been made during negotiations. We are encouraged by your decision to avoid a tariff increase on March 2 and allow negotiations to continue ahead of a planned summit with Chinese President Xi Jinping. We urge you to publish a Federal Register notice immediately confirming and detailing your decision in order to provide certainty to the business community, making clear to all stakeholders that tariffs do not automatically increase on March 2. Further, it is our hope that this momentum will build in the weeks ahead and lead to a final deal that addresses structural issues in China, removes tariffs on both sides, and eliminates trade uncertainty facing American businesses and farmers.

Our coalition represents every part of the U.S. economy, including manufacturers, farmers and agribusinesses, retailers, technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders. Collectively, we support tens of millions of American jobs through our vast supply chains. We agree that China and other trading partners must be held accountable for trade violations. However, broadly applied tariffs do more harm than good and force American companies to foot the bill for China's misbehavior.

According to data released by our coalition, American businesses paid an additional \$2.7 billion in tariffs in November 2018 alone, the most recent month data is available from the U.S. Census Bureau. This represents a \$2.7 billion tax increase and a massive year-over-year increase from \$375 million in tariffs on the same products in November 2017. The data also shows that U.S. export growth hit its lowest level of 2018, thanks in part to a 37 percent decline in exports of products facing China's retaliatory tariffs. This data highlights that tariffs as a negotiating tactic will always be a losing proposition because Americans — not foreign countries — are the ones paying the price.

Due to these costs, American employers are eager to see trade negotiations conclude as soon as possible and for all tariffs to be lifted. Although we are encouraged by the latest signs of progress, it is important to note that existing tariffs and shifting deadlines are hanging over American businesses and farmers and undermining their ability to grow, invest, and plan for the future.

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Mr. President, we applaud the hard work of your administration to achieve better trade deals for the American people, and we are encouraged by the progress that has been made. As negotiations continue, we urge you to continue to listen to the concerns of American businesses faced with significant uncertainty. We are eager to see a trade deal with China that addresses structural issues such as intellectual property theft and technology transfer while removing existing tariffs and the threat of tariffs in the future. Millions of American farmers, businesses, workers, and families are counting on you to achieve a positive resolution that keeps America competitive on the global stage while growing our economy and protecting the millions of U.S. jobs supported by trade.

Sincerely,

Accessories Council	Coalition of Services Industries (CSI)
Agriculture Transportation Coalition (AgTC)	Colorado Retail Council
ALMA, International (Association of Loudspeaker Manufacturing and Acoustics)	Columbia River Customs Brokers and Forwarders Assn.
American Apparel & Footwear Association (AAFA)	Computer & Communications Industry Association (CCIA)
American Association of Exporters and Importers (AAEI)	Computing Technology Industry Association (CompTIA)
American Association of Port Authorities	Consumer Technology Association
American Bakers Association	Council of Fashion Designers of America (CFDA)
American Chemistry Council	CropLife America
American Coatings Association, Inc. (ACA)	Customs Brokers & Freight Forwarders Assn. of Washington State
American Down and Feather Council	Customs Brokers & Freight Forwarders of Northern California
American Home Furnishings Alliance	Distilled Spirits Council of the United States
American Lighting Association	Electronic Transactions Association
American Petroleum Institute	Fashion Accessories Shippers Association (FASA)
American Pyrotechnics Association	Fashion Jewelry & Accessories Trade Association
American Rental Association	Flexible Packaging Association
American Specialty Toy Retailing Association	Florida Ports Council
Arizona Technology Council	Florida Retail Federation
Arkansas Grocers and Retail Merchants Association	Footwear Distributors and Retailers of America (FDRA)
Association For Creative Industries	Fragrance Creators Association
Association for PRINT Technologies	Game Manufacturers Association
Association of Equipment Manufacturers (AEM)	Gemini Shippers Association
Association of Home Appliance Manufacturers	Georgia Retailers
Auto Care Association	Global Chamber®
Beer Institute	Global Cold Chain Alliance
BSA The Software Alliance	Grocery Manufacturers Association
Business & Institutional Furniture Manufacturers Association (BIFMA)	Halloween Industry Association
California Retailers Association	Home Fashion Products Association
Coalition of New England Companies for Trade (CONNECT)	Home Furnishings Association
	Household and Commercial Products Association
	Idaho Retailers Association
	Illinois Retail Merchants Association

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Independent Office Products & Furniture Dealers Association (IOPFDA)	National Lumber and Building Material Dealers Association
Indiana Retail Council	National Marine Manufacturers Association
Information Technology Industry Council (ITI)	National Restaurant Association
International Bottled Water Association (IBWA)	National Retail Federation
International Foodservice Distributors Association	National Sporting Goods Association
International Housewares Association	Natural Products Association
International Warehouse and Logistics Association	New Jersey Retail Merchants Association
International Wood Products Association	North American Association of Uniform Manufacturers and Distributors (NAUMD)
Internet Association	North Carolina Retail Merchants Association
Juice Products Association (JPA)	Ohio Council of Retail Merchants
Juvenile Products Manufacturers Association	Organization for International Investment
Los Angeles Customs Brokers and Freight Forwarders Assn.	Outdoor Industry Association
Louisiana Retailers Association	Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.
Maine Grocers & Food Producers Association	Pennsylvania Retailers' Association
Maine Lobster Dealers' Association	PeopleforBikes
Maritime Exchange for the Delaware River and Bay	Personal Care Products Council
Maryland Retailers Association	Pet Industry Joint Advisory Council
Methanol Institute	Petroleum Equipment & Services Association
Michigan Chemistry Council	Plumbing Manufacturers International
Minnesota Retailers Association	Power Tool Institute (PTI)
Missouri Retailers Association	Precious Metals Association of North America (PMANA)
Motor & Equipment Manufacturers Association	Promotional Products Association International
Motorcycle Industry Council	Recreational Off-Highway Vehicle Association
NAPIM (National Association of Printing Ink Manufacturers)	Retail Association of Maine
National Association of Chain Drug Stores (NACDS)	Retail Council of New York State
National Association of Chemical Distributors (NACD)	Retail Industry Leaders Association
National Association of Foreign-Trade Zones (NAFTZ)	Retailers Association of Massachusetts
National Association of Home Builders	RISE (Responsible Industry for a Sound Environment)
National Association of Music Merchants	RV Industry Association
National Association of Trailer Manufacturers (NATM)	San Diego Customs Brokers and Forwarders Assn.
National Confectioners Association	SEMI
National Council of Chain Restaurants	Snowsports Industries America
National Customs Brokers and Freight Forwarders Association of America	Society of Chemical Manufacturers & Affiliates
National Electrical Equipment Manufacturers Association (NEMA)	Software & Information Industry Association (SIIA)
National Fisheries Institute	South Dakota Retailers Association
National Foreign Trade Council	Specialty Equipment Market Association
National Grocers Association	Specialty Vehicle Institute of America
	Sports & Fitness Industry Association
	Telecommunications Industry Association (TIA)
	Texas Retailers Association
	Texas Water Infrastructure Network
	The Airforwarders Association
	The Fertilizer Institute
	The Hardwood Federation
	The Toy Association

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The Vinyl Institute

Travel Goods Association

Truck & Engine Manufacturers Association (EMA)

U.S. Hide, Skin and Leather Association

United States Council for International Business

United States Fashion Industry Association

US Global Value Chain Coalition

US-China Business Council

Virginia Retail Merchants Association

Virginia-DC District Export Council (VA-DC DEC)

Washington Retail Association

Window and Door Manufacturers Association

World Pet Association, Inc. (WPA)

CC Ambassador Robert Lighthizer, United States Trade Representative
 Secretary Steven Mnuchin, Department of the Treasury
 Secretary Wilbur Ross, Department of Commerce
 Secretary Sonny Perdue, Department of Agriculture